Verification of actual import rates of inputs

1165. SHRI RAJNI RANJAN SAHU : Will the PRIME MINISTER be pleased to state :

(a) whether Government have verified the actual import rates of inputs which are used in the production of bulk drugs, prices of which were increased after June, 1991;

(b) whether it is a fact that due to non-verification of stock and the import rates, producers are charging fabulous prices at the cost of the consumers;

(c) what steps have been taken to fix responisibility for this lapse which resulted in large benefits to the producers ; and

(d) when the prices of Ranitidine, antibiotics and cancer drugs were fixed and on what price the formulation prices are based on what dates prices of formulations are fixed?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN) : (a) to (c) The prices of some bulk drugs using imported inputs were revised by the Government, due to change in exchange rate of rupee against major foreign currencies on the basis of cost data available with the Government and in consultation with the BICP. The impact of change in exchange rate against major foreign currencies was given in the price of concerned bulk drugs, only on imported raw materials used in their production.

As regard verifying the stock position of the imported raw materials in respect of individual manufacturers it is not physically possible to carry out such an exercise as the number of manufacturers run into several thousands.

(d) All anti-cancer drugs are outside price control. As regards the prices of formulations based on Ranitidine is concerned, the existing prices are continuing since June, 1988 based on notified price of Rs. 4396/- per kg. The existing prices of most of the ceiling packs of formulations based on antibiotics, namely, Ampicillin Trihydrate, Cephalexin, Erythromycin are based on the existing notified prices of concerned bulk drugs, which are notified in the official Gazette from time to time, the copies of which are available in the Parliament Library. The information called for is too voluminious and the time and efforts required for compiling this information will not commensurate with the results likely to be achieved.

Process of Assessment of Liabilities

1166. SHRI H. HANUMANTHAPPA: Will the PRIME MINISTER be pleased to refer to the answer to Unstaired Questions 3074 given in Rajya Sabha on 19th December, 1991 and state:

(a) whether Government are aware that the process of assessment of liabilities and recovery is being deliberately slowed down to benefit the producers at the behest of bureaucrats who are shielding the producers;

(b) whether it is also a fact that neither a fresh assessment has been made nor revised since more than a year;

(c) when was the last assessment made or revised and what are the names of companies, drug or formulation involved;

(d) what were the tentative or final amount worked out in each case;

(e) whether it is a fact a number of Members of Special Team have since retired;

(f) if so, names of such Members and date retirement;

(g) whether Government have informed their departments about the impending enquiry against them; and

(h) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN) (a) to (d) There is no question of deliberately slowing down of process of assessment of liabilities. The assessment of the liabilities of the drug companies into DPEA has been done in a number of cases during the year 1991-92 also. The details of tentative liabilities into DPEA against various drug companies worked out during the last one year has been given in reply to Unstarred Question No. 1157 listed for answer on 5-3-1992.

(e) *to* (h) To the extent information is available, only one of the members of the said Special Team, Shri R.N. Tandon, who was earlier re-patriated to his own department, has since superannuate. The question of any action against any officer will arise only after the liabilities are finally determined.

Proposal of Recovering under D.P.E.A.

1167. SHRI H. HANUMANTHAPPA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Government have proposed to forego recoveries under DPEA;

(b) when was such a proposal made and what was the basis thereof;

(c) whether it is also a fact that such a proposals has not been agreed upon; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) No., Sir.

(a) to (d) Do not arise.

Losses Incurred in Fertilizer Plant at Talcher

1168. SHRI JAGADISH JANI : Will the PRIME MINISTER be pleased to state :

(a) whether the fertilizer plant at Talcher set up by Fertilizer Corporation of India is running at loss;

(b) if so since when and net annual loss since then ;

(c) the month-wise and year-wise details thereof ; and

(d) the steps taken up by Government to improve its performance ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN) : (a) Yes Sir.

(b) and (c) Talcher Unit of FCI is running in loss since inception *i.e.* 1·11·1980. Month-wise profit /loss is not audited. The yearwise loss figures are given below :

Year	Net loss for the year year
	Rs/Crores
1980-81	19·35
1981-82	37·41
1982-83	39·80
1983-84	32·36
1984-85	20·01
1985-86	42·94
1986-87	39·59
1987-88	23·81
1988-89	73·48
1989-90	36·09
1990-91	23·22